

STATE LAND DEPARTMENT
STATE OF ARIZONA

GRAZING LEASE

THIS INDENTURE made and entered into this 3rd day of April, 19 75,
by and between the State of Arizona, hereinafter called the lessor, and.....
INSPIRATION CONSOLIDATED COPPER COMPANY

of Inspiration, State of Arizona, hereinafter called the lessee:

WITNESSETH, that the said State Land Commissioner, by virtue of the authority vested in him by law, and in consideration of the application heretofore made, and the covenants and agreements of this lease, hereinafter set forth, has this day leased to the said lessee the State Land, as hereinafter described, subject to any and all indebtedness that may be known to be due or that may be proven to be due hereafter.

TO HAVE AND TO HOLD the same for the period ending the 31st day of October,
19 83, or date of sale, and subject to the conditions and reservations elsewhere set forth herein, for which lessee agrees to pay for each year, or fractional year, rental in advance as found to be due from the appraisals to be made from time to time by the State Land Commissioner, or his duly authorized agent, in accordance with the laws of the State of Arizona and the Rules and Regulations of the State Land Department.

IT IS HEREBY COVENANTED AND AGREED by both parties hereto, that this lease is issued subject to all the provisions and requirements thereto, which are found in the various Acts of the Legislature of the State of Arizona, the same as though they were fully set forth herein.

IT IS HEREBY FURTHER COVENANTED AND AGREED that all of the covenants, conditions and agreements, together with the description of the land included in this lease, contained in the supplemental sheet or sheets attached hereto shall be, become and are part of the lease, the same as though set forth in full over the signatures of the contracting parties hereto.

IN WITNESS WHEREOF, the Arizona State Land Commissioner, by virtue of the powers vested in him by law, has caused these presents to be executed by said lessor, at Phoenix, Arizona, on the day and year first above written, and the said lessee has hereunto affixed his signature at the place and on the day and year as set forth herein.

STATE OF ARIZONA, LESSOR

By [Signature]
State Land Commissioner.

(SEAL)

By

Signed in the County of Gila, State of Arizona, on the 9th day of
April, 19 75

INSPIRATION CONSOLIDATED COPPER COMPANY

(Sign Here) [Signature]
Vice President & General Manager Lessee.

This lease is
issued in duplicate

Form A-11

INSPIRATION CONSULT
COPPER COMPANY
INSPIRATION 62 85537

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(T) The State shall be entitled to and shall receive any and all awards, including severance damage to remaining state lands, that may be made for any eminent domain or condemnation proceedings concerning the land which is the subject of this lease, except that Lessee shall have the right to receive any and all awards or payments made for any buildings or other improvements lawfully placed on the subject property, by the Lessee with the approval of the Land Department.

SPECIAL CONDITION

This lease is issued as the result of an Application for Partial Assignment of Grazing Lease #1245, filed by Wheeler Reese and Max B. Smith. The offer of this lease does not imply a determination of the ownership of the following improvements:

Ten-inch buried pipeline, approximately 2,450 feet
500 foot water well, pump, submersible motor, power line,
500 feet 6-inch pipeline
500 foot water well (standby)
Access roads to pump station
800 foot water well, pump, submersible motor, power line,
500 feet 6-inch pipeline
121,000 gallon sump tank, valves, fittings, and foundation
Booster pump station including building, mechanical and
electrical equipment

The lessee is, however, authorized to use the aforementioned improvements in conjunction with its existing state mineral leases in this section, i.e., M-588 and M-643.